

# Subpart 542.12 - Novation and Change-of-Name Agreements

**Parent topic:** [Part 542 - Contract Administration and Audit Services](#)

## 542.1203 Processing agreements.

Contracting officers should process agreements as soon as a complete package has been received from the contractor. If the proposed successor is a large business and the contract was originally awarded under a small business set-aside, the contracting officer shall—

- (a) Notify and solicit comments from the SBTA (see FAR 42.1203(b) and (c)); and
- (b) Not recognize the proposed successor if—
  - (1) The conclusion is that the transaction is intended to circumvent the requirements and objectives of the small business program; or
  - (2) If a MAS contract is involved and other MAS small business contracts exist for the same special item number(s); and
- (c) Cancel the set-aside items if a MAS contract is involved and the contract has both set-aside and non-set-aside special item numbers, then process the novation request for the non-set-aside items.